Loan Agreement

(Atal BHujal Yojana- National Groundwater Management Improvement Program)

between

INDIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between INDIA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower the amount of four hundred and fifty million Dollars, ($450,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing the program described in Schedule 1 to this Agreement ("Program").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.

2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.

2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest rate is the Reference Rate plus the Variable Spread; or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

2.06. The Payment Dates are June 15 and December 15 in each year.

2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 4 to this Agreement.

2.08. (a) If on any given day, the Total Exposure exceeds the Standard Exposure Limit (as said terms are defined in sub-paragraphs (b)(ii) and (b)(iii) of this Section), the Borrower shall pay to the Bank a surcharge at the rate of one half of one percent (0.5%) per annum of the Allocated Excess Exposure Amount (as defined in sub-paragraph (b)(i) of this Section) for each said day ("Exposure Surcharge"). The Exposure Surcharge (if any) shall be payable semi-annually in arrears on each Payment Date.

(b) For purposes of this Section the following terms have the meanings set forth below:
(i) "Allocated Excess Exposure Amount" means for each day during which the Total Exposure exceeds the Standard Exposure Limit, the product of:
(A) the total amount of said excess; and (B) the ratio of all (or, if the Bank so determines, a portion) of the Loan to the aggregate amount of all (or the equivalent portions) of the loans made by the Bank to the Borrower, and to other borrowers guaranteed by the Borrower that are also subject to an exposure surcharge, as said excess and ratio are reasonably determined from time to time by the Bank.

(ii) "Standard Exposure Limit" means the standard limit on the Bank's financial exposure to the Borrower which, if exceeded, would subject the Loan to the Exposure Surcharge, as determined from time to time by the Bank.

(iii) "Total Exposure" means for any given day, the Bank's total financial exposure to the Borrower, as reasonably determined by the Bank.

ARTICLE III — PROGRAM

3.01. The Borrower declares its commitment to the objectives of the Program. To this end, the Borrower through MoWR, RD&GR shall carry out the Program with the participation of the Selected States in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower's Representative is any of the following officials: the Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary or Under Secretary of the Department of Economic Affairs of the Ministry of Finance of the Borrower.

5.02. For purposes of Section 10.01 of the General Conditions: (a) The Borrower's address is:

Secretary
Department of Economic Affairs
Ministry of Finance, Government of India
North Block
New Delhi 110001, India; and

(b) The Borrower's Electronic Address is:

Facsimile:
91-11-2309 2247
5.03. For purposes of Section 10.01 of the General Conditions: (a) the Bank’s address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank’s Electronic Address is:

Telex: Facsimile:
248423(MCI) or 1-202-477-6391
64145(MCI)

AGREEED as of the Signature Date.

INDIA

By

Authorized Representative
Name: SAMBER KUMAR KHARE
Title: ADDITIONAL SECRETARY
Date: FEBRUARY 17, 2020

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative
Name: JUNAIR KAMAL AHMAD
Title: COUNTRY DIRECTOR, INDIA
Date: FEBRUARY 17, 2020
SCHEDULE 1

Program Description

The objective of the Program is to improve the management of groundwater resources in the Selected States. The Program consists of the following activities:

**Results Area 1: Improved planning and implementation of groundwater management interventions**

Activities under this result area 1 include, *inter alia*: (a) introducing a bottom-up planning of groundwater management through community-led Water Security Plans; (b) improving government spending through planning processes; and (c) implementing participatory groundwater management, including supply and demand-side measures.

**Results Area 2: Strengthened institutional framework and effective groundwater data monitoring and disclosure**

Activities under this result area 2 include, *inter alia*: (a) building institutional capacities of the Borrower and the Selected States to improve the quality of groundwater information, making it publicly accessible, and the management of groundwater resources; (b) hiring Technical Support Agencies ("TSA") and Support Organizations ("SO") to support Program implementation; (c) carrying out a national communication campaign on groundwater management to promote behavioral changes; (d) providing technical assistance to establish interagency steering committees at national and state levels; (e) providing technical assistance to support the development and implementation of Water Security Plans; (f) providing equipment and goods to carry out groundwater management activities; (g) strengthening a results-based culture including improving output and outcome monitoring and evaluation systems and establishing an independent verification system; and (h) strengthening technical, environmental, social and fiduciary capacities under the Program.
SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Program Institutions

Throughout Program implementation, the Borrower through MoWR,RD&GR shall establish and maintain: (a) the Secretary Level Committee with functions and responsibilities acceptable to the Bank, to: (i) oversee Program implementation activities and provide strategic guidance and policy direction on the Program activities; and (ii) resolve any coordination issues across Program agencies and/or Selected States; and (b) the Program Management Unit with functions, responsibilities and staff acceptable to the Bank, to: (i) carry out day-to-day Program implementation activities, including Program planning, coordination, monitoring and evaluation; (ii) hire and maintain the Independent Verification Agency referred to in Section III.B of this Schedule 2; and (iii) provide support to the Selected States through the TSAs.

B. Memoranda of Understanding with Selected States

1. Within thirty (30) days from the Effectiveness Date, the Borrower through MoWR,RD&GR shall enter into a memorandum of understanding with each Selected State under terms and conditions acceptable to the Bank, including, inter alia: (a) the Borrower’s obligation to transfer annually a portion of the Loan proceeds to the Selected State in accordance with the applicable arrangements and procedures set forth in the Program Guidelines (including the Disbursement Guidelines) and the Fiduciary Manual; and (b) the Selected State’s obligation to: (i) set up a state-level steering committee responsible for, inter alia, monitoring and coordinating Program activities within its jurisdiction; (ii) set up a state-level Program implementation agency with adequate staff and resources to implement the Program within its jurisdiction and to be responsible for, inter alia, providing support to the district-level implementation entities through SOs in adequate numbers; (iii) transfer a portion of the Loan proceeds to the Districts and GPs; (iv) comply with the provisions set forth in the Program Guidelines (including the Disbursement Guidelines), Fiduciary Manual and the Program Action Plan; (v) facilitate annual internal and external audits including procurement performance reviews; and (vi) maintain a comprehensive management information system including procurement and contract management.

2. The Borrower shall exercise its rights under each memorandum of understanding in such manner as to protect the interests of the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive any memorandum of understanding or any of their provisions.

C. Other Program Institutional and Implementation Arrangements

1. (a) The Borrower through MoWR,RD&GR shall, and shall cause each Selected State to: (a) implement the Program in accordance with the Program Action Plan, the Program Guidelines (including the Disbursement Guidelines) and the Fiduciary
Manual; (b) refrain, and shall cause each Selected State to refrain, from amending, revising, waiving, voiding, suspending or abrogating any provision of the Program Action Plan, the Program Guidelines (including the Disbursement Guidelines) and the Fiduciary Manual, whether in whole or in part, without the prior written concurrence of the Bank. In the event of any inconsistency between: (a) any of the provisions of the Program Action Plan, the Program Guidelines (including the Disbursement Guidelines) and/or the Fiduciary Manual; and (b) any of the provisions of this Agreement, the provisions of this Agreement shall govern.

(b) Without limitation on the generality of the paragraph (a) above, the Borrower through MoWR,RD&GR shall adopt, by no later than: (a) forty five (45) days after the Effective Date, the Program Guidelines (including the Disbursement Guidelines); and (b) three (3) months after the Effective Date, the Fiduciary Manual.

2. Without limitation on the generality of Section C.1 above, the Borrower through MoWR,RD&GR shall:

(a) by no later than three (3) months after the Effective Date, hire and thereafter maintain, throughout Program implementation, a national-level TSA, under terms of reference satisfactory to the Bank, to provide technical support to the Program Management Unit;

(b) within sixty (60) days of entering into a memorandum of understanding with a Selected State, and cause the selected States to hire and thereafter maintain a state-level TSA, throughout Program implementation, under terms of reference satisfactory to the Bank, to provide technical support to said Selected State(s); and

(c) by no later than twelve (12) months after the Effective Date, set up a comprehensive management information system within the Program Management Unit, including procurement and contract management systems, under terms of reference satisfactory to the Bank.

3. Throughout Program implementation, the Borrower through MoWR,RD&GR shall, and shall cause the Selected States to, report the Program Expenditures, advances and/or fund transfers, only through the Borrower’s Public Financial Management System.

Section II. Excluded Activities

The Borrower shall ensure that the Program excludes any activities which:

1. in the opinion of the Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or

2. involve the procurement of: (a) works, estimated to cost fifty million Dollars ($50,000,000) equivalent or more per contract; (b) goods and non-consulting services, estimated to cost thirty million Dollars ($30,000,000) equivalent or more per contract; or (c) consultants’ services, estimated to cost fifteen million Dollars ($15,000,000) equivalent or more per contract.
Section III.  Program Monitoring, Reporting and Evaluation

A.  Program Reports

1.  The Borrower shall furnish to the Bank each Program Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

2.  By no later than December 31, 2020, the Borrower shall carry out one (1) mid-term review of the Project, and shall incorporate the findings of such review in the work programs of subsequent years adjusting the fund allocation for the Selected States.

B.  Verification Protocols for the Program

By no later than six (6) months after the Effective Date, the Borrower through MoWR,RD&GR shall: (a) hire, and thereafter maintain throughout Program implementation, an Independent Verification Agency (“IVA”) to verify the fulfillment of the Disbursement Linked Results set out in Schedule 3 of this Agreement and in accordance with terms of reference agreed with the Bank. To this end, the Borrower shall: (a) ensure that the terms of reference of any IVA to be hired by the Borrower for purposes of carrying out the afore-mentioned verification(s) have received the no-objection of the Bank irrespective of the source of funding of such contract; and (b) furnish to the Bank the above-mentioned verification(s), in form and substance agreed with the Bank, and disclose them in the public domain.

Section IV.  Withdrawal of Loan Proceeds

A.  General

1.  Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) pay the Front-end Fee; (b) pay each Interest Rate Cap or Interest Rate Collar premium; and (c) finance Program Expenditures, on the basis of the DLRs achieved by the Borrower/Selected States, as measured against specific DLIs; all as set forth in the table in paragraph 2 of this Part A and Schedule 3 of this Agreement.

2.  The following table specifies each category of withdrawal of the proceeds of the Loan (including the Disbursement Linked Indicators as applicable) (“Category”), the Disbursement Linked Results for each Category (as applicable), and the allocation of the amounts of the Loan to each Category as set forth above and Schedule 3 of this Agreement:

<table>
<thead>
<tr>
<th>Category (including Disbursement Linked Indicator as applicable)</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) DLI #1: Arrest in the Rate of Decline of Groundwater Levels</td>
<td>50,000,000</td>
</tr>
<tr>
<td>(2) DLI #2: Community-led Water Security Plans Prepared</td>
<td>75,000,000</td>
</tr>
</tbody>
</table>
B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

   (a) on the basis of DLRs achieved prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed twenty two million (USD 22,000,000) may be made on the basis of DLRs under Category(ies) (2), (3), (4) and (5) achieved prior to the Signature Date but on or after March 31, 2018 or/and

   (b) for any DLR under Category(ies) (1), (2), (3), (4) and/or (5), until and unless the Borrower has furnished evidence satisfactory to the Bank that said DLR has been achieved.

2. Notwithstanding the provisions of Part B.1(b) of this Section, the Borrower may, at any point in time and upon fulfillment of the condition precedent to disbursements set forth in Part B.1(b) of this Section, withdraw the proceeds of the Loan up to an aggregate amount not to exceed the equivalent of twenty-five percent (25%) of the amounts allocated to Categories (1) through (5) (net of any cancellations) as advance for purposes of achieving one or more DLRs for which the Borrower shall subsequently furnish to the Bank the evidence referred to in Section B.1(b) of this Schedule 2; provided, however, that, if by the Closing Date the Borrower has withdrawn amounts out of the proceeds of the Loan in excess of the Allocated Amount(s) authorized for disbursement as per Schedule 3 to this Agreement in respect of documented/achieved DLRs, the Bank shall require the Borrower to refund the amount of such excess to the Bank, promptly upon notice thereof by the Bank, in order for the Bank to proceed with its cancellation. Notwithstanding the foregoing, the Bank may, at any time, in its own discretion, exercise any of the actions set forth in Part B.3(a) of this Section, in respect of any such amounts.
3. Notwithstanding the provisions of Part B.1(b) of this Section, if the Bank is not satisfied that any of the DLR(s) set forth in Schedule 3 of this Agreement has/have been achieved by the end of the FY in which said DLR(s) is/are set to be achieved and/or the Allocated Amount(s) of such DLR(s) has/have not been fully withdrawn under Part B.2 of this Section, the Bank may, at any time, by notice to the Borrower, decide, in its sole discretion, to:

(a) authorize the withdrawal of such lesser amount of the respective Allocated Amount(s) allocated to said DLR(s) which, in the opinion of the Bank, corresponds to the extent of achievement of said DLR(s), said lesser amount to be calculated in accordance with the disbursement formulae set forth in Schedule 3 of this Agreement;

(b) withhold all or a portion of the proceeds of the Loan then allocated to said DLR(s) until such DLR(s) is/are satisfactorily met;

(c) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR(s) to any other DLR(s); and/or

(d) cancel all or a portion of the proceeds of the Loan then allocated to said DLR(s).

4. The Closing Date is September 29, 2023.

5. Notwithstanding the foregoing provisions of this Section, if at any time after the Closing Date the Borrower has failed to provide evidence satisfactory to the Bank that the Withdrawn Loan Balance does not exceed the aggregate of the total amount of Program Expenditures, the Borrower shall, promptly upon notice from the Bank, refund to the Bank such excess amount of the Withdrawn Loan Balance. The Bank shall cancel the refunded amount of the Withdrawn Loan Balance.
**SCHEDULE 3**

Disbursement-Linked Indicators, Disbursement-Linked Results and Allocated Amount(s) Applicable to the Program

<table>
<thead>
<tr>
<th>DISBURSEMENT LINKED INDICATORS</th>
<th>RESULTS TO BE ACHIEVED IN FY2018/19 (YEAR 1)</th>
<th>RESULTS TO BE ACHIEVED IN FY2019/20 (YEAR 2)</th>
<th>RESULTS TO BE ACHIEVED IN FY2020/21 (YEAR 3)</th>
<th>RESULTS TO BE ACHIEVED IN FY2021/22 (YEAR 4)</th>
<th>RESULTS TO BE ACHIEVED IN FY2022/23 (YEAR 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Arrest in the Rate of Decline of Groundwater Levels (number of Blocks)</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>70</td>
<td>80</td>
<td>100</td>
</tr>
<tr>
<td>Disbursement formula</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>![Gray]</td>
</tr>
<tr>
<td>Allocated Amount (expressed in $)</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>14,000,000</td>
<td>16,000,000</td>
<td>20,000,000</td>
</tr>
<tr>
<td>2. Community-led Water Security Plans Prepared (number of WSP)</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>1,125</td>
<td>1,500</td>
<td>825</td>
</tr>
<tr>
<td>Disbursement formula</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>![Gray]</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>![Gray]</td>
<td>![Gray]</td>
<td>![Gray]</td>
</tr>
</tbody>
</table>

- **Disbursement formula for 1.**
  - Number of Blocks x $200,000

- **Disbursement formula for 2.**
  - Year-on-year increase in number of WSP x $20,000
<table>
<thead>
<tr>
<th>Allocated Amount (expressed in $)</th>
<th>22,500,000</th>
<th>30,000,000</th>
<th>16,500,000</th>
<th>6,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Public financing allocated to approved Water Security Plans ($ amount)</td>
<td>50,000,000</td>
<td>100,000,000</td>
<td>250,000,000</td>
<td>300,000,000</td>
</tr>
<tr>
<td>Disbursement formula</td>
<td>$ allocation (excluding Program allocation) of approved Water Security Plans x 10%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allocated Amount (expressed in $)</td>
<td>5,000,000</td>
<td>10,000,000</td>
<td>25,000,000</td>
<td>30,000,000</td>
</tr>
<tr>
<td>4. Area with Reduction in Water Consumption (number of hectares)</td>
<td>30,000</td>
<td>60,000</td>
<td>70,000</td>
<td>80,000</td>
</tr>
<tr>
<td>Disbursement formula</td>
<td>(year-on-year increase in the number of hectares with micro-irrigation + year-on-year increase in the number of hectares with shift away from water-intensive crops) x $500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allocated Amount (expressed in $)</td>
<td>15,000,000</td>
<td>30,000,000</td>
<td>35,000,000</td>
<td>40,000,000</td>
</tr>
<tr>
<td>5. Improved Groundwater Monitoring and Disclosure of Groundwater Data (number of wells and/or Blocks)</td>
<td>1,600</td>
<td>1,600</td>
<td>3,200</td>
<td>3,200</td>
</tr>
</tbody>
</table>
Disbursement formula: (year-on-year increase in number of wells for which monitoring is available + year-on-year increase in number of wells for which water quality data is available + year-on-year increase in number of Blocks with groundwater reports disclosed on-line) x $3,125

| Allocated Amount (expressed in $) | 5,000,000 | 5,000,000 | 10,000,000 | 10,000,000 | 20,000,000 |
SCHEDULE 4

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each June 15 and December 15 Beginning on June 15, 2024 through June 15, 2035</td>
<td>4.17%</td>
</tr>
<tr>
<td>On December 15, 2035</td>
<td>4.09%</td>
</tr>
</tbody>
</table>
APPENDIX

Section I. Definitions


2. “Area with Reduction in Water Consumption” means, for purposes of DLI 4, the Block with: (a) surface areas in which water-efficient irrigation systems to reduce consumption and non-beneficial water have been adopted; and/or (b) cropping areas shifted away from water-intense crops; in a given FY.

3. “ Arrest in the Rate of Decline of Groundwater Levels” means, for purposes of DLI 1, the Block whose groundwater level is higher than the baseline water level in at least fifty (50) percent of its observation wells in a given FY.

4. “Block” means the sub-administrative unit of a District within each Selected State selected following the criteria set forth in the Program Guidelines.

5. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.

6. “Community-led Water Security Plans Prepared” means for purposes of DLI 2, the GPs who have: (a) completed its water budget; and (b) prepared their Water Security Plan in a participatory manner, in a given FY.

7. “District” means any of the selected administrative sub-divisions within each of the Selected States, as well as any other District included in the scope of the Program following the criteria set forth in the Program Guidelines.

8. “Disbursement Guidelines” means the guidelines part of the Program Guidelines, setting out, inter alia, the arrangements and flow of funds for the disbursement of performance grants to the Selected States, Districts, and GPs and the formula based on which said grants are to be transferred to the Selected States, Districts, and GPs that have achieved their respective DLI(s).

9. “Disbursement Linked Indicator” or “DLI” means in respect of a given Category, the indicator related to said Category as set forth in the tables in Section IV.A.2 of Schedule 2 to this Agreement.

10. “Disbursement Linked Result” or “DLR” means in respect of a given Category, the result under said Category as set forth in the table in Section IV.A.2 of Schedule 2 and Schedule 3 to this Agreement, on the basis of the achievement of which, the amount of the Loan allocated to said result may be withdrawn in accordance with the provisions of said Section IV.
11. “Fiduciary Manual” means the manual issued by MoWR,RD&GR in a manner acceptable to the Bank, and referred to in Section I.C.1(a) of Schedule 2 to this Agreement, setting out, *inter alia*, the procurement, financial and accounting arrangements for each Selected State, as the same may be amended from time to time as mutually agreed.

12. “Fiscal Year” or “FY” means any of the Years 1 through 5 of Program implementation, commencing from April 1 and ending on March 31.


14. “GP” means the Gram Panchayat within each Block selected following the criteria set forth in the Program Guidelines.

15. “Improved Groundwater Monitoring and Groundwater Data Disclosed” means, for purposes of DLI 5, the Selected State with increased number of (a) wells monitoring the groundwater quantity; (b) wells monitoring the groundwater quality; and (c) Block level quality and quantity data and reports publicly available, in a given FY.

16. “Independent Verification Agency” or “IVA” the verification agency referred to in Section III.B of Schedule 2 to this Agreement.


18. “Program Action Plan” means the Borrower’s plan dated May 4, 2018 and to be included in the Program Guidelines and referred to in Section I.C.1(a) of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the Bank.

19. “Program Guidelines” means the guidelines to be issued by MoWR,RD&GR in a manner acceptable to the Bank, and referred to in Section I.C.1(a) of Schedule 2 to this Agreement, setting out, *inter alia*, the criteria for the selection of each District, Block and GPs under the Program and the objectives, components, implementation arrangements and verification protocol for the Program, as the same may be amended from time to time with the prior written concurrence of the Bank.

20. “Program Management Unit” means the national program management unit referred to in Section A of Schedule 2 to this Agreement.

21. “Public Financial Management System” means the Borrower’s web-based online financial management platform developed and maintained by the Borrower’s Office of Controller General of Accounts, with the primary objective to facilitate institutionalization of efficient fund flow and payments system, leading to better monitoring, review and decision support system in the implementation of Borrower’s schemes.

22. “Secretary Level Committee” means the national level steering committee referred to in Section I.A of Schedule 2 to this Agreement.
23. “Selected States” means the Borrower’s States of Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh or any other State to be selected as participating in the Program as agreed between the Borrower and the Bank; and “Selected State” means any of those States.

24. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.

25. “SO” means the support organization providing technical assistance to the GPs and the Blocks for Program implementation including the preparation of Water Security Plan(s).

26. “TSA” means the technical support agency providing technical assistance to the Borrower and/or the Selected States in carrying out the Program.

27. “Water Security Plan” means the set of investment and management actions related to groundwater use to be developed by the selected Block and/or the selected GPs under the Program.

Section II. Modifications to the General Conditions

In the Appendix, Definitions, the definition number 85 is modified to read:

“85. “Program Expenditures” means an expenditure that meets the requirements of Section 2.03, comprising of the following: (a) the cost of the Program supply-side activities, including water harvesting and artificial recharge and surface water harvesting; (b) the cost of demand-side activities, including improved irrigation technologies, managing energy-irrigation nexus and other demand management interventions; (c) the cost of demand-side activities at communities’ level, including water-efficient technologies, crop management and diversification, and participatory groundwater management mainstreaming; and (d) the cost of water quality activities, including improved groundwater quality and community-level groundwater quality monitoring; as further defined in the Program Guidelines.”